

**SECRET**

SAPC-23440  
Copy 2 of 4

16 January 1958

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting held on 10 January 1958 with Hycon Mfg. Company concerning Contracts FS-99 and OS-100

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1. The following person attended the subject meeting:

For the Contractor

[REDACTED] Vice-President

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For the Government

[REDACTED], Jr., Project Director  
Director of D and P  
Project Comptroller  
Project Contracting Officer

2. This meeting was for the purpose of presenting to the Contractor a final price for the work completed under the subject contracts through 30 June 1957. Reference is made to Memorandum For the Record dated 6 January 1958, concerning a meeting held on December 10, 1957, which establishes a fair and reasonable price for the work performed.

3. [REDACTED] offered the Contractor \$385,476.87 on Contract No. FS-99 and \$409,080.28 on Contract No. OS-100. The Contractor was quite concerned about recurring costs and the fact that a precedent might be established which could be multiplied tenfold. The Contractor was advised that while undoubtedly the elements in the general and administrative pool would be considered in the same way on subsequent contracts the overhead item would not be recurring. Further, he was advised that these contracts were for services and that equipment contracts would be viewed in a different light when the profit factor was considered. After some further discussions and a call to the Company's offices in Pasadena, [REDACTED] agreed to the above settlement prices.

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PS/DCI [REDACTED]

Distribution:

- Orig - Contract FS-99
- 2 - Contract OS-100
- 3 - Proj. Comp.
- 4 - Proj. Chrono

DOCUMENT NO. 289

NO CHANGE TO FILE

11 FEB 1958

CLASS. & EXT. BY [REDACTED]

REVIEWED BY [REDACTED]